

JOINT PROJECT AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND
NEW WORLD PROPERTIES, INC.

THIS AGREEMENT is entered into this date 29th of October 2007, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State") NEW WORLD PROPERTIES INC. (the "Developer").

I. RECITALS

1. The State is empowered by Arizona Revised Statutes Section 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
2. New World Properties Inc. is empowered by Arizona Revised Statutes Section 28-6923 K to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the Developer.
3. The Developer is currently in the process of developing a master planned community called Copperleaf located approximately at I-10 in the Tonopah area in western Maricopa County. The land use plan is designed with one of its primary access points existing I-10/Winterburg TI and at a proposed Interstate interchange with 395th Avenue (Belmont Road), located at Mile Post 96.21, in the vicinity of Tonopah, Arizona. The Developer shall provide all of the required documents for ADOT's review for the development of the Proposed Interchange as referred on page 2 of this Agreement, under the Scope of Work, Section II.1.b. The Proposed Interchange improvement must be developed and designed to ADOT standards and ADOT will determine whether the Proposed Interchange is consistent with the State highway and safety system requirements. **Features or Enhancements that are outside of ADOT's construction standards shall be maintained by the Developer and a separate Agreement shall be required.** The Developer, in addition will fund all costs in regards with the study to the design, necessary acquisition of right-of-way, and construction costs for the new Proposed Traffic Interchange.
4. The Developer is notified by Arizona Department of Transportation (ADOT) and must meet ADOT and the Federal Highway Administration (FHWA) approval for the development process and Proposed Interchange. The Developer and State shall enter into subsequent Agreements for the purpose of defining the responsibilities associated with the study to the design, the right-of-way requirements, actual construction of the project, maintenance, and funding.
5. The Developer assures the State it has the ability to provide the funding for the development process, design, necessary acquisition of right-of-way and actual construction costs of the Proposed Interchange, the State assumes no financial obligation to construct or in any way fund the Proposed Interchange under this Agreement. **In addition, the Developer shall provide the proper maintenance for the Proposed Interchange for Features or Enhancements that are outside of ADOT's construction standards, a separate Agreement shall be required.**

THEREFORE, in consideration of the mutual covenants expressed herein, it is further agreed as follows:

II. SCOPE OF WORK

1. The Developer Shall:

a. Prepare a Change of Access Report for the location reference in paragraph 3 of the Recitals, to State standards, and FHWA requirements, to ADOT for review, including design and other documentation required for the Change of Access Report

b. Be responsible for all costs associated with the *ADOT Project Development Process*, including but not limited to the following:

Design Concept Report
ADOT Project Development Process
Traffic Report
Traffic Impact Analysis
Environmental Documentation and Report
Geotechnical Report
Drainage Report
Proposed Design Schedule
Public Involvement Plan
Right-of-Way Requirements
Utility Requirements

c. Provide an amount of \$30,000.00 to the State, for the State's review of the documentation mentioned above upon execution of this Agreement. The amount shall be deposited to the State under the Tracs number H7083 01X, which is the estimated review cost. The Developer agrees that should the review costs exceed \$30,000.00, ADOT will invoice the difference and the Developer will be responsible for final accounting.

2. The State Shall:

a. Review and approve all documents, including design and other documentation required for the ADOT Project Development Process and provide the Developer the appropriate comments.

b. Conduct a final accounting of the review costs and either invoice the Developer for the amount due in excess of \$30,000.00 or reimburse the Developer unused funds.

III. MISCELLANEOUS PROVISIONS

1. This Agreement shall remain in full force and effect until final review process is completed by ADOT and all Reports have State and FHWA approval.

2. The Recitals to this Agreement are incorporated herein. The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of construction of the Proposed Interchange. Either party may cancel this Agreement at any time prior to a thirty-day (30) written notice to either party.

3. The State assumes no financial obligation or financial liability under this Agreement or for any resulting construction project in regards to Developer. The Developer in regard to Developer's relationship with the State only, assumes full responsibility for the design, plans, specifications, and reports, which arise, result from or relate to the Proposed Interchange, the engineering in connection therewith in association with the Interchange Development Process contemplated, and for cost over-runs and construction claims relating thereto. The Developer shall require its contractors to name the State as an additional insured in the contractor's insurance policies.

4. The Developer shall also require its contractors to name the State as an additional indemnitee in the Developer contracts with its contractors. It is understood and agreed that the State's participation is confined solely to that set forth under this Agreement.

5. The Developer, as to its own actions, hereby agrees to save and hold harmless and indemnify from loss the State, any of its departments, agencies, officers or employees from any and all costs and /or damages incurred by the State and from any claims made against the State, which directly or indirectly result from this Agreement, except to the extent caused by the negligence or intentional misconduct of the State, or any of its departments, agencies, officers and employees. Costs incurred by the State, any of its departments, agencies, officers or employees shall include, in the event of any action, court costs and expenses of litigation and attorney's fees.

6. Should Developer fail to fulfill the obligations set forth in this Agreement or withdraw the project for whatever reason, the Developer shall be responsible for all costs incurred by the State up to the time of withdrawal, unless the reason for Developer's failure or cancellation is due to the State's failure to comply with its obligations hereunder.

7. This Agreement shall become effective upon signature of the parties hereto.

8. This Agreement may be cancelled in accordance with Arizona Revised Statutes Sections 38-511.

9. In the event of any controversy, which may arise out of this Agreement, the parties hereto agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes Sections 12-1518.

10. The provisions of Arizona Revised Statutes Section 35-214 are applicable to this contract.

11. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. The parties to this Agreement shall comply with Executive Order Number 99-4 issued by the Governor of the State of Arizona and incorporated herein by reference regarding "Non-Discrimination".

12. All notices or demands upon any party to this Agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 South 17th Avenue, Mail Drop 616E
Phoenix, AZ. 85007 FAX (602) 712-7424


New World Properties, Inc.
C/O Mark Brown, President
706 E. Bell Road Suite 200
Phoenix, Arizona 85022
Phone (602) 788-7097
Fax (602) 992-0910

13. Attached hereto and incorporated herein is the written determination of each party's legal counsel that the parties are authorized under the laws of this state to enter into this Agreement and that the Agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written

NEW WORLD PROPERTIES, INC.

STATE OF ARIZONA
Department of Transportation

By 
MARK BROWN
President, New World Properties, Inc.

By 
SAM MAROUFKHANI, P.E.
Deputy State Engineer, Development

ATTORNEY SIGNATURE

By _____


ATTORNEY APPROVAL FORM


NEW WORLD PROPERTIES, INC.

I have reviewed the attached proposed Agreement between the DEPARTMENT OF TRANSPORTATION, INTERMODEL TRANSPORTATION DIVISION, and NEW WORLD PROPERTIES, INC. and declare this Agreement to be in proper form and within the powers and authority granted to NEW WORLD PROPERTIES, INC. under the laws of the State of Arizona.

No opinion is expressed as to the authority of the remaining parties to enter into said Agreement.

Dated OCTOBER 19, 2007


Attorney GREGORY J. ANDERSEN

<p>TERRY GODDARD Attorney General</p>	<p> OFFICE OF THE ATTORNEY GENERAL STATE OF ARIZONA</p>	<p>CIVIL DIVISION TRANSPORTATION SECTION Writer's Direct Line: 602.542.8855 Facsimile: 602.542.3646 E-mail: Susan.Davis@azag.gov</p>
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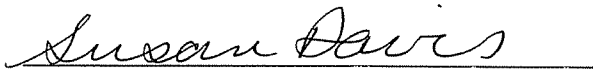
JOINT PROJECT AGREEMENT
DETERMINATION

A.G. Contract No. P0012007002528 (**JPA 06-110**), a Joint Project Agreement between The State of Arizona and New World Properties, has been reviewed pursuant to A.R.S. § 28-401 by the Undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining Parties, other than the State or its agencies, to enter into said Agreement.

DATED: October 29, 2007

TERRY GODDARD
Attorney General


SUSAN E. DAVIS
Assistant Attorney General
Transportation Section

SED:mjf:83351
Attachment

ADOT

10682

9-07-07 090707

Odom-Review Fees

30000.00

.00

30000.00

9-07-07

10682

30000.00

.00

30000.00

137/PI Odom
8710 N. Thornydale Rd., Ste 120
Tucson, AZ 85742



NATIONAL BANK OF ARIZONA
1837 E. Prince Rd.
Tucson, AZ
91-532/1221

10682

Pay: *****
DATE: September 7, 2007
CHECK NO: 10682
AMOUNT: \$*****30,000.00
Thirty thousand dollars and no cents

PAY
TO THE
ORDER
OF

ADOT

September 7, 2007

10682 \$*****30,000.00

VOID AFTER 90 DAYS

[Signature]



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